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Press Statement

ERB appeals to Mining Companies to Free Some Power

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The Energy Regulation Board (ERB) is appealing to Mining Companies to implement Demand Side Management (DSM) initiatives to help free up power in the wake of enhanced load shedding.

Following the announcement by ZESCO Limited that generation at Kariba North Bank power station has dropped to 305 Mega Watts, it is critical that all categories of energy consumers make tangible efforts to minimise pressure on the national grid.

The implementation of DSM if practiced by large power users could greatly reduce load shedding. DSM is the management and efficient use of power which when practiced on a large scale in sectors such as mining, industry and commercial farms can have a significant impact that can free huge amounts of power for other uses.

The regulator is aware that the power system has been unstable as a result of increased reactive power use by large power users. As an industry practice, large power users are required to install reactive power compensating equipment in order to be energy efficient and avoid low power factor which has an adverse impact on the system.

Members of the public will recall that in November 2014, ERB convened a Public Hearing following an application by ZESCO to introduce a Low Power Factor Surcharge which was aimed at encouraging its large power customers to use energy more efficiently.

Thereafter, ERB allowed ZESCO to introduce a surcharge for low power factor based on the average power factor metered during a billing period. Under this scheme ZESCO will be allowed to surcharge any power factor below the limit of 0.92 with effect from 1st January, 2016.

The grace period before the surcharge takes effect is meant to allow affected customers install the necessary equipment to improve the power factor at the affected customer's premises. ZESCO is presently sending its large power customers dummy bills as a way of preparing for actual implementation come 2016.

The ERB is mandated to regulate electricity tariffs, charges, fees and penalties in the electricity sub sector as provided under the Electricity Act, Cap 433 of the laws of Zambia as amended.

Meanwhile, the ERB strongly urges business houses and offices throughout the country to switch off lights on a daily basis at the close of business and leave a few security lights on.

Regrettably, at household level the regulator has also observed that security lights are left on during the day when consumers should be conserving the limited power available. Geysers, pressing irons and electric stoves should be used sparingly when power is restored after load shedding.



Kwali Mfuni (Ms.)

MANAGER – PUBLIC RELATIONS

***NOTES TO THE EDITOR:**

1. Demand Side Management is a common term in the electricity sub sector which refers to the management and efficient use of power by the consumer rather than by the supplier.
2. Demand Side Management also consists of various actions or programmes designed to influence the usage patterns and amount of energy consumed by end users.
3. Some of the benefits realised through Demand Side Management efforts include:
 - ❖ Greater compliance toward high-efficiency building practices
 - ❖ Perpetuating more awareness and solutions for energy conservation
 - ❖ Willingness of consumers to switch to more energy efficient lighting
 - ❖ Greater stability on electricity grids, in the energy market and among utilities and regulatory bodies.